(c) the aims and objectives set to achieve?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI PAWAN KUMAR BANSAL): (a) to (c) Yes, Sir. Pursuant to the announcement made in the Union Budget speech 2007-08, that 'National Housing Bank will introduce a novel financial product for senior citizens: a 'reverse mortgage' under which a senior citizen who is the owner of a house can avail of a monthly stream of income against the mortgage of his/her house, while remaining the owner and occupying the house throughout his/her lifetime, without repayment or servicmg of the loan", the National Housing Bank (NHB) formulated the Operational Guidelines for Reverse Mortgage Loan (RML), after taking into account the feedback and suggestions of the Senior Citizens, the public and the Technical Working Group constituted by NHB, in this regard. The RMLs are to be extended by Primary Lending Institutions (PLIs) *viz.* Scheduled Banks and Housing Finance Companies (HFCs) registered with NHB: The Operational Guidelines are available on web-site of NHB at *www.nhb.org.in*. The main features of the RML are:

- It aims at partially meeting the financial needs of Senior Citizens who may, otherwise be not eligible for availmg any kind of financial assistance under conventional bank loan schemes. RML enables monthly payments that supplement the income of senior citizens during their lifetime when their income sources are generally restricted/limited and show a marked fall as compared to the period when they were in active occupation.
- RML obviates the need for senior citizens to meet emergent financial needs by selling their house and perhaps moving to a smaller house possibly located far away, to raise money.
- Helps in unlocking the wealth otherwise locked in a residential asset.
- Expenses like health care and other needs which are generally expected to rise with ageing can be met from the payments received under RML.

Assistance to Madhya Pradesh

†964. SHRIMATI MAYA SINGH: Will the Minister of FINANCE be pleased to state:

(a) whether Central Government are aware that the State Government of Madhya Pradesh are facing difficulties in getting loan assistance for Accelerated Irrigation Benefit Programme 2005;

(b) whether Central Government provide financial assistance or loan to the State Government of Madhya Pradesh keeping in view above part;

(c) if so, the outline thereof; and

(d) whether the Central Government have sanctioned any amount for this purpose till now?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI PAWAN KUMAR BANSAL): (a) No, Sir.

---

† Original notice of the question was received in Hindi.

(b) to (d) As per the recommendation of Twelfth Finance Commission (TFC), Government of India decided to discontinue earlier practice of providing Central loan assistance for financing States' Annual Plan including Accelerated Irrigation Benefit Programme (AIBP), from 2005-06. Government of India only provides grant component from 2005-06. Grant amounting to Rs. 183.80 crore in 2005-06 and Rs. 49.01 crore in 2006-07 was provided to the Government of Madhya Pradesh for AIBP. In the last two years, Government of Madhya Pradesh has not indicated to Government of India any difficulty in raising loan from the market.

Increase in priority sector lending to minorities

965. SHRI MAHENDRA MOHAN: Will the Minister of FINANCE be pleased to state:

(a) whether Government have decided to increase priority sector lending to minority from 9 to 15 per cent in three years;

(b) if so, the details thereof;

(c) whether State owned Public Sector Banks will also be following same guidlines;

(d) how much credit has been given to minorities, SCs, STs and OBCs. separately in the past one year; and

(e) if so, the details thereof?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI PAWAN KUMAR BANSAL): (a) and (b) Yes, Sir. Government has decided that efforts be made for stepping up Priority Sector Lending to minorities from the present level of 9% to 15% over a period of three years.

Pursuant to the PM's new 15-Point Programmes for the Welfare of Minority Communities, Reserve Bank of India (RBI), has issued a revised circular dated 18.05.2007 to the banks including minority communities under the heading "Weaker Sections" under Priority Sector Lending.

In their Consolidated Master Circular on lending to minorities dated 5.07.2007, the RBI has also advised the banks to take care to ensure that minority communities secure in a fair and adequate measure, the benefits flowing from various Government sponsored special programmes. The master circular *inter-alia* envisages creating a separate cell in each bank to ensure smooth flow of credit to minority communities.

(c) All Scheduled Commercial Banks are required to follow the guidelines issued by the RBI regarding credit to minorities.

(d) and (e) Credit given to the members of minority communities and SCs/STs under Priority Sector Advances are as under: